

Exhibit 21

Deposition of Jeremy Lappen (February 28, 2017) (excerpted)

UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

Cung Le, Nathan Quarry, Jon)
Fitch, on behalf of)
themselves and all others)
similarly situated,)
)
Plaintiffs,)
)
v.) Lead Case No.
) 2:15-cv-01045-RFB-(PAL)
Zuffa, LLC, d/b/a Ultimate)
Fighting Championship and)
UFC,)
)
Defendant.)
_____)

VIDEOTAPED DEPOSITION OF JEREMY LAPPEN

LOS ANGELES, CALIFORNIA

February 28, 2017

11:13 a.m.

Reported By:
Tracy Mafi, CSR No. 11850
Job No. 48785

<p style="text-align: right;">130</p> <p>1 Mr. Couture had to sign a contract or there would be 2 negative consequences?</p> <p>3 A Well, I mean, there was the conversations 4 that were detailed in the letter that we sent. I 5 would say that that falls into that -- into that 6 example; right?</p> <p>7 Q Yes. Okay.</p> <p>8 And do you recall any other instances where 9 he contacted you and threatened that there would be 10 negative consequences if Mr. Couture didn't agree to 11 some contract -- contractual clause?</p> <p>12 MR. McSWEENEY: Objection; lacks 13 foundation.</p> <p>14 THE WITNESS: In addition to the stuff that 15 I pointed out in that letter, I don't remember. My 16 guess would be, yeah, probably.</p> <p>17 BY MR. RAYHILL:</p> <p>18 Q Okay. And when you say "yeah, probably," 19 what's the basis for that statement?</p> <p>20 A My basis is --</p> <p>21 MR. McSWEENEY: Objection.</p> <p>22 THE WITNESS: My basis is I remember having 23 multiple communications with Dana over contract 24 negotiations where there was -- he did exchange from 25 his side saying that, you know, there will be</p>	<p style="text-align: right;">132</p> <p>1 well, I'll read starting from the beginning. He 2 says:</p> <p>3 "EliteXC put on a very good show on 4 CBS in prime time on 7/26," that being a 5 date, "and a few days later it was clear 6 just how little that meant. The show 7 bombed in the ratings, doing a 1.7 rating 8 and 2.6 million viewers and actually drew 9 less viewers in the target male 18-24 10 demo than Spike TV's replay of UFC 84 from 11 5/24."</p> <p>12 That's a date also, May 24th.</p> <p>13 So do you recall -- first of all, so the 14 EliteXC event on July 26th, is this an event that 15 you remember?</p> <p>16 A I think so. I think I know what event this 17 was.</p> <p>18 Q And do you recall -- it says here that 19 Spike TV ran a replay of UFC 84 from May 24th. 20 Do you recall whether that was the case?</p> <p>21 A I don't recall, but probably.</p> <p>22 Q If it were the case, would this be a case 23 of counter-programming?</p> <p>24 MR. McSWEENEY: Objection; calls for 25 speculation.</p>
<p style="text-align: right;">131</p> <p>1 negative repercussions if this isn't agreed to.</p> <p>2 BY MR. RAYHILL:</p> <p>3 Q And so when you negotiated a contract, not 4 all the negotiations took place in a written form; 5 is that correct?</p> <p>6 A No, there were many times just on the 7 telephone.</p> <p>8 Q Okay.</p> <p>9 (Whereupon Plaintiff Exhibit 206 was 10 marked for identification by the court 11 reporter and is attached hereto.)</p> <p>12 BY MR. RAYHILL:</p> <p>13 Q You've been handed what's been marked as 14 Exhibit 206. And I welcome you to take a -- look at 15 as much of the document as you like, but I'm only 16 going to ask about one page, and that is -- there's 17 no individual Bates numbers on the document, but it 18 has a handwritten number 6 on the bottom.</p> <p>19 A Okay.</p> <p>20 Q Let me know when you're ready.</p> <p>21 A I'm ready.</p> <p>22 Q So this is -- the top of the document says 23 "Wrestling Observer Newsletter." It has an address 24 in Campbell, California, and the date is August 4th, 25 2008. And in the second paragraph, on the left --</p>	<p style="text-align: right;">133</p> <p>1 THE WITNESS: Yeah. Yeah, I think they did 2 that quite often. If you look farther down in that 3 paragraph, it talks about doing the same thing for a 4 show before that.</p> <p>5 BY MR. RAYHILL:</p> <p>6 Q Okay. And I'll just read that sentence. 7 It says -- talking about a prior EliteXC event, it 8 says:</p> <p>9 "And that show had similar head-to-head 10 competition of UFC putting on a first run 11 of Chuck Liddell versus Wanderlei Silva 12 match on Spike."</p> <p>13 Are those names that you recognize, Chuck 14 Liddell and Wanderlei Silva?</p> <p>15 A Yes.</p> <p>16 Q Can you tell me are they -- are they 17 prominent MMA fighters?</p> <p>18 A Yes.</p> <p>19 Q Would that have been a popular match in 20 your estimation?</p> <p>21 MR. McSWEENEY: Objection.</p> <p>22 BY MR. RAYHILL:</p> <p>23 Q Let me rephrase the question. 24 Given the notoriety and popularity of the 25 two players who were involved in that match, do you</p>

<p style="text-align: right;">134</p> <p>1 think it's possible that the replay on Spike would 2 have drawn viewers away from the EliteXC event? 3 A I don't know. 4 Q Okay. On the top of the second column on 5 the same page, the very first sentence at the top 6 there, very first full sentence reads: 7 "Jeremy Lappen seemed to be the 8 company's key front figure after the show 9 running the press conference and talking 10 about how he would match his champions in 11 the various weight classes against 12 champions from any other organization." 13 Did you ever get the opportunity to match 14 your champions against champions from other 15 organizations? 16 A I don't think so. I can't remember if we 17 fought Strike Force Champions or not. We may have. 18 When Affliction -- I don't think Andrei Arlovski was 19 their champion when he came and fought on one of our 20 cards. Maybe like a Cage Rage champion. 21 Q As a promoter, is that something you would 22 have liked to have had the opportunity to do? 23 A Sure, if it made sense, yeah. 24 Q Do you think it would have been to the 25 benefit of the fighters to have a chance to fight</p>	<p style="text-align: right;">136</p> <p>1 that was the hit but two key personalities 2 who each drew one million new viewers for 3 their matches to carry them." 4 Do you agree with the statement that -- 5 that it's not MMA in its prime time that was the 6 hit, but the key personalities that each drew one 7 million new viewers? 8 A Yes. 9 Q Are fighters with notoriety like that 10 essential to building a successful MMA promotion? 11 MR. McSWEENEY: Objection to form. 12 THE WITNESS: Yeah, the fighters are what 13 draws. 14 BY MR. RAYHILL: 15 Q Did EliteXC have difficulty attracting top 16 fighters that could draw viewers on the same level 17 as Kimbo Slice? 18 A Kimbo Slice was an EliteXC fighter. 19 Q Yes, I understand that. 20 A Okay. 21 Q But so -- 22 A Is it hard to find fighters of his caliber, 23 his fame -- 24 Q Yes. 25 A -- ability to draw a crowd?</p>
<p style="text-align: right;">135</p> <p>1 champions from other promotions? 2 MR. McSWEENEY: Objection; calls for 3 speculation. 4 THE WITNESS: I think it just depends on 5 the situation. 6 BY MR. RAYHILL: 7 Q Fourth full paragraph in that second column 8 beginning with words "Shaw understood..." 9 First of all, do you know who he's 10 referring to when he says Shaw? 11 A That is Gary Shaw. 12 Q And who was Gary Shaw? 13 A He was the president of EliteXC in the 14 beginning. 15 Q Okay. And it says: 16 "Shaw understood that from the start" 17 -- "Shaw understood that from the start 18 about the star power issue when Slice 19 wouldn't be ready for the show and was 20 against running the date." 21 Can you tell me who Slice is? 22 A Kimbo Slice. 23 Q "CBS felt they needed to capitalize on 24 the momentum built. CBS didn't understand 25 that it was not MMA in prime time on CBS</p>	<p style="text-align: right;">137</p> <p>1 Q Yes. 2 A Yes, definitely. 3 Q And do you have a sense of why that was? 4 A It's trying to find a star. I mean, it's 5 hard to find a star. They have a certain X factor. 6 That's what the business is about, I think. Most 7 promotions have difficulty finding somebody. And he 8 still holds the record for the most watched fight in 9 the U.S., mixed martial arts fight. 10 Q The contracts that you negotiated for your 11 fighters with Zuffa, were those contracts all 12 exclusive contracts, by which I mean were fighters 13 prevented from fighting for another promotor while 14 they were under contract with Zuffa? 15 A Yes. 16 MR. McSWEENEY: Objection to form. 17 BY MR. RAYHILL: 18 Q And based on your experience running -- I 19 believe you said you were the president for fight 20 operations for EliteXC? 21 A Yes. 22 Q Okay. So based on your experience as 23 president of fight operations for EliteXC, did the 24 fact that Zuffa signed its athletes to exclusive 25 contracts affect EliteXC's ability to attract</p>

<p style="text-align: right;">138</p> <p>1 fighters with that X factor that you were referring 2 to? 3 MR. McSWEENEY: Objection; calls for 4 speculation. 5 THE WITNESS: Well, assuming that UFC had 6 people who would draw an audience that was under 7 exclusive contract and we couldn't sign them, then 8 yes, that would affect us. 9 BY MR. RAYHILL: 10 Q So were you familiar with many of the 11 fighters who fought for UFC at that time? 12 A Yes. 13 Q And taking Mr. Couture as an example, would 14 you say that Mr. Couture is a fighter with the X 15 factor that you referred to? 16 A Yes. 17 Q And could a promotion -- when you ran 18 EliteXC, were you able to sign fighters of 19 Mr. Couture's caliber? 20 A Well, I wasn't able to sign a fighter if he 21 was under contract with UFC, I couldn't sign them. 22 But I signed many fighters that were very high-level 23 fighters. 24 Q As high level as Mr. Couture, would you 25 say?</p>	<p style="text-align: right;">140</p> <p>1 don't want competition,' Lappen said of the 2 UFC. 'They want a monopoly. They operate 3 that way.'" 4 Do you recall making those statements? 5 A I don't. Sorry. 6 MS. GRIGSBY: And, Counsel, I think you 7 skipped a few words. 8 MR. RAYHILL: Oh, did I? 9 MS. GRIGSBY: Yeah, "They want to be 10 a monopoly." 11 MR. RAYHILL: Right. So the full -- right. 12 So the record is good, then, on that one, yeah. 13 BY MR. RAYHILL: 14 Q Do you have any reason to believe 15 you didn't make this statement? 16 A No, I'm sure I made it. I just don't 17 remember it. 18 Q Okay. So do you have a sense of what you 19 meant when you said "they don't want competition"? 20 A Yeah, I think I meant that they don't want 21 competition. 22 Q Thank you for clarifying. 23 I'm going to go ahead and ask anyways. Do 24 you recall what you meant when you said "they want 25 to be a monopoly"?</p>
<p style="text-align: right;">139</p> <p>1 A It's debatable. 2 Q Okay. I'm finished with that document. 3 (Whereupon Plaintiff Exhibit 207 was 4 marked for identification by the court 5 reporter and is attached hereto.) 6 BY MR. RAYHILL: 7 Q So you've been handed what's been marked as 8 Exhibit 207. This is an article that I downloaded 9 from the Internet from the Web address that's listed 10 at the top of the article. 11 It was on a website called Fightline.com, 12 and it's an article written by Ryan Clark on August 13 30th, 2006, and the name of the file -- the article 14 is "Fighter Pay & Other Figures From UFC 62 'Liddell 15 versus Sobral'." 16 Okay. And turning to page -- the second 17 page of the document, the fourth paragraph from the 18 bottom beginning with your name, it says: 19 "Jeremy Lappen, chief executive officer 20 of the WFA, was escorted out of the 21 building at UFC 61 -- UFC 61: Bitter 22 Rivals, despite having a ticket given to 23 him by Ken Shamrock, whom he used to manage 24 and who was fighting." 25 Quote, "I think they're nervous. They</p>	<p style="text-align: right;">141</p> <p>1 A Basically it's the same thing to me, that 2 they wanted to be the only game in town. 3 Q Do you have a sense of what caused you to 4 have this -- these -- this thought? 5 A I think it was I'm sure just a whole bunch 6 of experiences I had in dealing with them and 7 hearing stuff that they were saying when I was 8 launching another promotion and hearing what other 9 people had gotten from them when they were doing 10 other things that were competitive. 11 Q Can you give me some examples of things 12 they would have said, they being UFC? 13 A Truthfully, I don't remember. I don't 14 remember. Sorry. 15 Q That's fine. 16 Do you recall any statements that they 17 might have made? You mentioned to other promoters. 18 Do you recall any of those statements? 19 MR. McSWEENEY: Objection; lacks 20 foundation. 21 THE WITNESS: I don't remember. 22 BY MR. RAYHILL: 23 Q But would you say that you -- based on your 24 overall experience it sounded like the accumulation 25 of your experiences at the time led you to believe</p>

<p style="text-align: right;">142</p> <p>1 -- led you to make this statement; is that true?</p> <p>2 A Yes.</p> <p>3 MR. McSWEENEY: Objection; mischaracterizes</p> <p>4 testimony.</p> <p>5 BY MR. RAYHILL:</p> <p>6 Q Okay. At the top of the next page, it</p> <p>7 says:</p> <p>8 "Lappen who also once managed Randy</p> <p>9 Couture says the WFA's vision calls for the</p> <p>10 focus to be on the fighter rather than the</p> <p>11 organization."</p> <p>12 Do you have a sense of what you meant by</p> <p>13 that statement?</p> <p>14 A Yeah, absolutely. The UFC would advertise</p> <p>15 the brand. It was all about the brand, the UFC.</p> <p>16 It's the NFL. And I just felt differently; that</p> <p>17 people tune in to individual combat sports because</p> <p>18 of the individuals, the fighters. I thought they</p> <p>19 should build the brand through the fighters by</p> <p>20 getting behind the fighters, telling their life</p> <p>21 stories, making people more invested in the fighter</p> <p>22 themselves, marketing the fighter. And the UFC I</p> <p>23 didn't believe shared that same vision --</p> <p>24 Q I see. Okay.</p> <p>25 A -- at that time.</p>	<p style="text-align: right;">144</p> <p>1 Q I just --</p> <p>2 A What I said in that quote, I believed what</p> <p>3 I said.</p> <p>4 Q Okay.</p> <p>5 A Is that your question?</p> <p>6 Q Thank you. That is my question. Thank</p> <p>7 you.</p> <p>8 A Yes.</p> <p>9 Q Okay. So then there are some quotes from</p> <p>10 some other people. There's a person named</p> <p>11 Salaverry. Do you know who that is?</p> <p>12 A Yeah, Ivan Salaverry.</p> <p>13 Q Is he an MMA fighter?</p> <p>14 A Yes.</p> <p>15 Q Okay. So Mr. Salaverry is quoted as</p> <p>16 saying:</p> <p>17 "It's very difficult for guys to</p> <p>18 negotiate their contracts because they are</p> <p>19 the big show,' he said."</p> <p>20 I'm going to back up just to give that a</p> <p>21 little context. So before the quote, the writer</p> <p>22 says:</p> <p>23 "Salaverry says fighters definitely</p> <p>24 feel the might of the UFC when it comes to</p> <p>25 purses."</p>
<p style="text-align: right;">143</p> <p>1 Q So you go on -- you're quoted as going on</p> <p>2 to say:</p> <p>3 "I would just bang my head against the</p> <p>4 wall seeing what the other promotions were</p> <p>5 doing. They operate on the philosophy of</p> <p>6 the brand is what sells, it's not the</p> <p>7 fighter. They do that because they are</p> <p>8 afraid the fighters are going to become too</p> <p>9 big and too powerful, and they'll have to</p> <p>10 pay them too much money to keep them."</p> <p>11 So I guess that's a little different than</p> <p>12 the statement that it's about the fighter as opposed</p> <p>13 to the organization. It seems like in this -- well,</p> <p>14 you stated explicitly, you say:</p> <p>15 "They're afraid the fighters aren't</p> <p>16 [sic] going to become too big and too</p> <p>17 powerful, and they'll have to pay them too</p> <p>18 much money to keep them."</p> <p>19 Is that an accurate reflection of how you</p> <p>20 felt at that time?</p> <p>21 A I'm sorry. I didn't really understand the</p> <p>22 question. You said something about it contradicts</p> <p>23 with what?</p> <p>24 Q We can ignore that part.</p> <p>25 A Okay.</p>	<p style="text-align: right;">145</p> <p>1 And then the quote follows:</p> <p>2 "It's very difficult for guys to</p> <p>3 negotiate their contracts because they are</p> <p>4 the big show,' he said. 'For the amount of</p> <p>5 money that they're,'" in parenthesis, "(the</p> <p>6 UFC) making. I think a lot of these</p> <p>7 fighters are not getting their due, for</p> <p>8 sure."</p> <p>9 Do you agree with that statement?</p> <p>10 A I agree with some of it, and I disagree</p> <p>11 with some of it. I agree with the part that for</p> <p>12 sure it's difficult for guys to negotiate contracts</p> <p>13 if there's only one big show; right? Because</p> <p>14 they're the only ones paying any type of money and</p> <p>15 you have nowhere else to go. They know that, and</p> <p>16 they're not going to pay you. They're in a better</p> <p>17 leverage position.</p> <p>18 A lot of fighters not getting their due,</p> <p>19 I've been on both sides of the table as a manager</p> <p>20 and a promoter. So as a promoter, I'd say, you</p> <p>21 know, a lot of these guys, they're not -- they are</p> <p>22 getting their fair amount because they don't -- they</p> <p>23 don't move the needle. Like whether this guy is</p> <p>24 fighting on the card or some other guy is fighting</p> <p>25 on the card, it makes no difference. Like they're</p>

<p style="text-align: right;">146</p> <p>1 going to sell the same amount of tickets. They are 2 going to do the same amount of ratings. They're not 3 worth a ton of money. So I would say some guys are 4 getting underpaid and some guys are getting fair or 5 overpaid depending on how you look at it and how you 6 value what somebody's worth.</p> <p>7 Q Well, so based on your experience as a 8 manager, how many fights would you say a fighter 9 usually fights in a year?</p> <p>10 A Three to five.</p> <p>11 Q Okay.</p> <p>12 A Bigger name guys, sometimes maybe two. but --</p> <p>13 Q Okay.</p> <p>14 A -- smaller guys, sometimes more.</p> <p>15 Q Did you ever negotiate any contracts on 16 behalf of a fighter who was paid the UFC minimum?</p> <p>17 A Sure.</p> <p>18 MR. McSWEENEY: Objection; lacks foundation.</p> <p>19 BY MR. RAYHILL:</p> <p>20 Q And do --</p> <p>21 A Actually, I would say "negotiate" may not be the right word.</p> <p>22 Q Okay. And what do you mean by that</p>	<p style="text-align: right;">148</p> <p>1 would be for more money. So they would make more 2 than 18,000 at the end of the day for their fight 3 purses.</p> <p>4 Q So would a fighter at that level have to 5 pay a trainer?</p> <p>6 MR. McSWEENEY: Objection; lacks foundation.</p> <p>7 THE WITNESS: It just depends.</p> <p>8 BY MR. RAYHILL:</p> <p>9 Q Depends. Okay.</p> <p>10 Q I'm finished with that document.</p> <p>11 Can we go off the record, please.</p> <p>12 VIDEOGRAPHER: Sure. We're now going off the record. The time is 3:38 p.m.</p> <p>13 (Recess taken.)</p> <p>14 VIDEOGRAPHER: We are now back on the record. The time is 3:57 p.m.</p> <p>15 EXAMINATION</p> <p>16 BY MR. McSWEENEY:</p> <p>17 Q All right. Mr. Lappen, we have just a few 18 questions that we'd like to ask you. And the first 19 one is going to be regarding this document I'm 20 handing to the court reporter to be marked.</p> <p>21 ///</p>
<p style="text-align: right;">147</p> <p>1 statement?</p> <p>2 A Usually somebody who's getting the minimum 3 for the UFC, there's not much, if any, negotiation. 4 You either sign the contract or you don't.</p> <p>5 Q Okay. And did you have more than one 6 fighter at that level -- at that level?</p> <p>7 A No.</p> <p>8 Q And do you recall how much -- but you have 9 experience with at least one fighter?</p> <p>10 A Yes.</p> <p>11 Q Yes. And do you recall how much that 12 fighter made to show and to win?</p> <p>13 A I think at the time it was like -- maybe it 14 was like three and three. 3,000 to show, 3,000 to 15 win I think at that time.</p> <p>16 Q And so if a fighter like that fought three 17 fights in a year, that would be a total of somewhere 18 between \$9,000 and \$18,000; is that your 19 understanding?</p> <p>20 A Well, normally the contracts escalate after 21 a win. So they -- at that time -- and I don't 22 remember for sure, but it was like 3 plus 3, going 23 to 4 plus 4 or 5 plus 5. Or it was 3, 3; 5, 5; 7, 24 7. I don't remember what it was, but they would 25 escalate. So if they won, then their next fight</p>	<p style="text-align: right;">149</p> <p>1 (Whereupon Defendant Exhibit 97 was 2 marked for identification by the court 3 reporter and is attached hereto.)</p> <p>4 BY MR. McSWEENEY:</p> <p>5 Q And it's been marked as Defendant's Exhibit 6 97. Can you take just a moment to review the 7 document and let me know when you've had a chance to 8 do so.</p> <p>9 A Okay.</p> <p>10 Q The document -- or rather Exhibit 97 is 11 Bates-stamped ZFL-0450016. Do you recognize this 12 document?</p> <p>13 A I recognize part of it. I don't recognize 14 all of it.</p> <p>15 [REDACTED]</p> <p>16 [REDACTED]</p> <p>17 [REDACTED]</p> <p>18 [REDACTED]</p> <p>19 [REDACTED]</p> <p>20 [REDACTED]</p> <p>21 [REDACTED]</p> <p>22 [REDACTED]</p> <p>23 [REDACTED]</p> <p>24 [REDACTED]</p> <p>25 [REDACTED]</p>